

## REMARKS

Claims 1-30 remain in the application. Claims 1-5 have been cancelled without prejudice. Claim 14 has been amended to correct a typographical error, claim 6 has been amended to put it into better form, and claim 24 has been amended to further clarify the claimed invention.

### Rejections Under 35 U.S.C. § 102(b) and 103(a)

Claims 1-6, 12-13, 15, 17-18, 24-27, and 30 were rejected under 35 U.S.C. § 102(b) as being anticipated by U.S. Patent No. 3,376,551 to Armbruster ("Armbruster"). Claims 24, 27 and 29 were rejected under 35 U.S.C. § 103(a) as being unpatentable over U.S. Patent No. 5,563,401 to Lemelson ("Lemelson") and Armbruster. Claims 7-10 were rejected under 35 U.S.C. § 103(a) as being unpatentable over Armbruster in view of U.S. Patent No. 3,700,828 to Zacaroli ("Zacaroli"). Claim 11 was rejected under 35 U.S.C. § 103(a) as being unpatentable over Armbruster and Zacaroli in combination with U.S. Patent No. 3,566,045 to Paine ("Paine"). Claims 4, 14, and 29 were rejected under 35 U.S.C. § 103(a) as being unpatentable over Armbruster. Claims 19-22 were rejected under 35 U.S.C. § 103(a) as being unpatentable over Armbruster in view of U.S. Patent No. 6,715,679 to Infosino ("Infosino"). Claim 23 was rejected under 35 U.S.C. § 103(a) as being unpatentable over Armbruster in view of U.S. Patent No. 4,369,431 to Howbrook ("Howbrook").

Embodiments of the present invention pertain to a magnetic ink encoding stylus that applies ink to a surface and includes a magnetic ink write head that applies a varying magnetic flux to the magnetic ink as it is applied to the surface. An example of such a stylus is shown in Fig. 2, where a magnetic field generator 205 and magnetic field director 204 is positioned so as to apply a magnetic field to the ink as it is applied to the surface.

The primary reference cited in the Office Action is Armbruster. In Armbruster, the ballpoint of the pen is magnetic in that it has distinct north and south poles. Movement of the ballpoint can be monitored and recorded. The ballpoint does not, however, apply a magnetic field to the ink (see Col. 33, lines 39-42). Instead, a recording magnetic head 186 is positioned away from the ballpoint so as to sweep it over the drying ink (see Col. 33, lines 57-58). Thus, Armbruster specifically teaches applying a magnetic field to drying ink on a surface. It is noted

that in Armbruster, the movement of the pen when applying ink to a surface is limited in that it must be brought from left to right in its current orientation so that the leading edge is erased by component 185 and the head 186 can act on the drying ink that gets through mask 183. The system of Armbruster is similar to the MICR system described in the Background section of the present application, in that after magnetic ink is applied to a surface, the ink is magnetized. Neither Armbruster nor the Background section teach or suggest applying a magnetic field to the ink as it is applied to the surface as recited in each of the pending claims.

The remaining references fail to make up for the deficiencies of Armbruster. Lemelson pertains to bar codes that supposedly include a magnetic recording. No disclosure is given as to how such recording is done. Zacaroli and Paine refer to read and write magnetic recording heads for tape recording and the like and not recording in ink. Infosino refers to a magnetic stripe card and Howbrook refers to monitoring handwriting on a graphic input panel.

In view of the above, reconsideration and withdrawal of the rejection of claims 6-30 under 35 U.S.C. §§ 102(b) and 103(a) is respectfully requested.

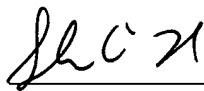
**CONCLUSION**

Applicants respectfully submit that this application is in condition for allowance. A Notice of Allowance is earnestly solicited.

The Examiner is invited to contact the undersigned at (202) 220-4255 to discuss any matter concerning this application. The Office is hereby authorized to charge any additional fees or credit any overpayments under 37 C.F.R. § 1.16 or § 1.17 to Deposit Account No. 11-0600.

Respectfully submitted,  
KENYON & KENYON

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By:   
Shawn W. O'Dowd  
Reg. No. 34,687

KENYON & KENYON  
1500 K Street, NW  
Suite 700  
Washington DC, 20005  
(202) 220-4200 telephone  
(202) 220-4201 facsimile  
DC:594705v1